

Yarnell's Ice Cream Closes Doors After 80 Years

Andrew DeMillo, Associated Press

LITTLE ROCK, Ark. (AP) — Yarnell's Premium Ice Cream announced Thursday that it has to lay off 200 workers and shut its doors after nearly 80 years in business because of a decline in ice cream sales and rising prices that it says has hit the industry hard.

The company announced it is stopping production indefinitely and told its workers that they will be paid through every day worked, but not beyond that. About 75 percent of the company's workers are based at the Searcy headquarters. The rest are located throughout Arkansas, Tennessee and Mississippi.

Christina Yarnell, chief executive officer, said the company had considered other avenues for keeping the company afloat after "an extremely tough year for the ice cream industry in general."

"However, we've been unable to obtain additional financing from our lenders or locate a buyer, and have come to the difficult decision that the appropriate course of action is to shut our doors," she said in a statement released by the company.

The company said it has seen ice cream and related products decline over the past five years, and that regional ice cream manufacturers have also been damaged by rising prices in commodities such as cream, sugar and fuel.

A group of about 10 employees will remain working at the company's headquarters through Aug. 27. Yarnell's has been in operation since 1932 and grew from a small family-owned operation to one that delivered ice cream throughout Arkansas, Missouri, Tennessee, Mississippi and Louisiana.

The company began with Ray Yarnell — Christina Yarnell's great-grandfather — and his wife and son counting themselves among the 13 employees that ran operations and made deliveries in four trucks. Its first trucks were refrigerated with ice and salt, and the company's first electrically refrigerated truck was purchased in 1938.

Most of the ice cream first produced by Yarnell's was sold to drug stores that sold ice cream soda or cream sandwiches.

"Ceasing operations is heartbreaking because we have prided ourselves on keeping our roots in Arkansas, particularly Searcy," Christina Yarnell said.

The company even touted its local roots with its Arkansas-centric flavors. They included University of Arkansas Razorback themed offerings such as "Woo Pig Chewy" and "Hog Wild for Cookie Dough." In 2005, the company named its mint-

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chip ice cream for then-Gov. Mike Huckabee: "Hucka, Hucka Burnin' Love."

A spokesman for Gov. Mike Beebe, who represented Searcy as a state senator, said the governor was saddened by the news of Yarnell's closing. At its 75th anniversary celebration, Beebe reminisced about drinking vanilla milkshakes with Yarnell's ice cream at a corner drug store when he was a child.

"Of course the governor has a deep history with them too, since they're both from Searcy," Beebe spokesman Matt DeCample said.

DeCample said the Department of Workforce Services will help the laid off workers as they seek new employment.

The Yarnell's closing is the latest announcement of layoffs in Arkansas. Simmons Foods Inc. announced last week that it would eliminate 223 jobs at a slaughtering plant in Siloam Springs by August and move its remaining production to a neighboring facility in Decatur. Rhode Island-based United Natural Foods said earlier in June that it will lay off 225 workers after closing a plant in Harrison as part of an acquisition by another company.

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